

CITY WATER, LIGHT & POWER

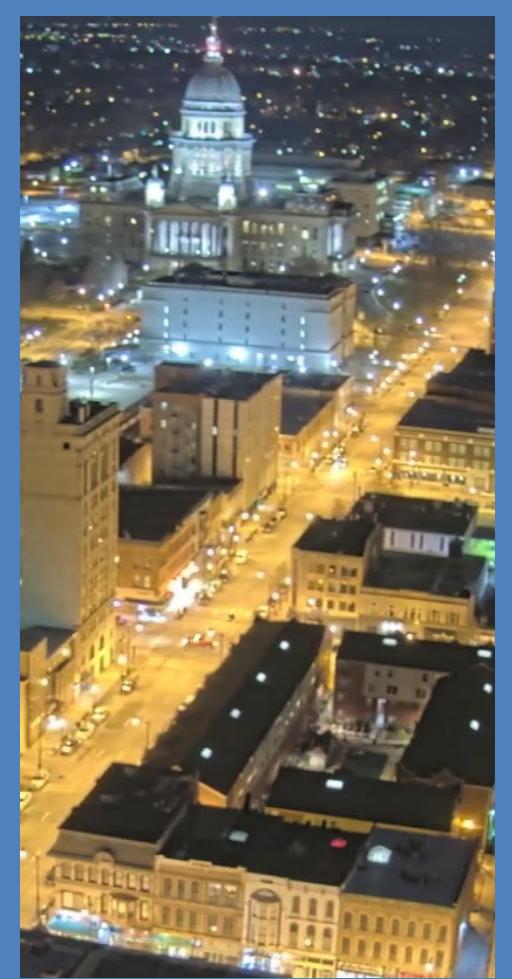


FY2027 BUDGET PRESENTATION

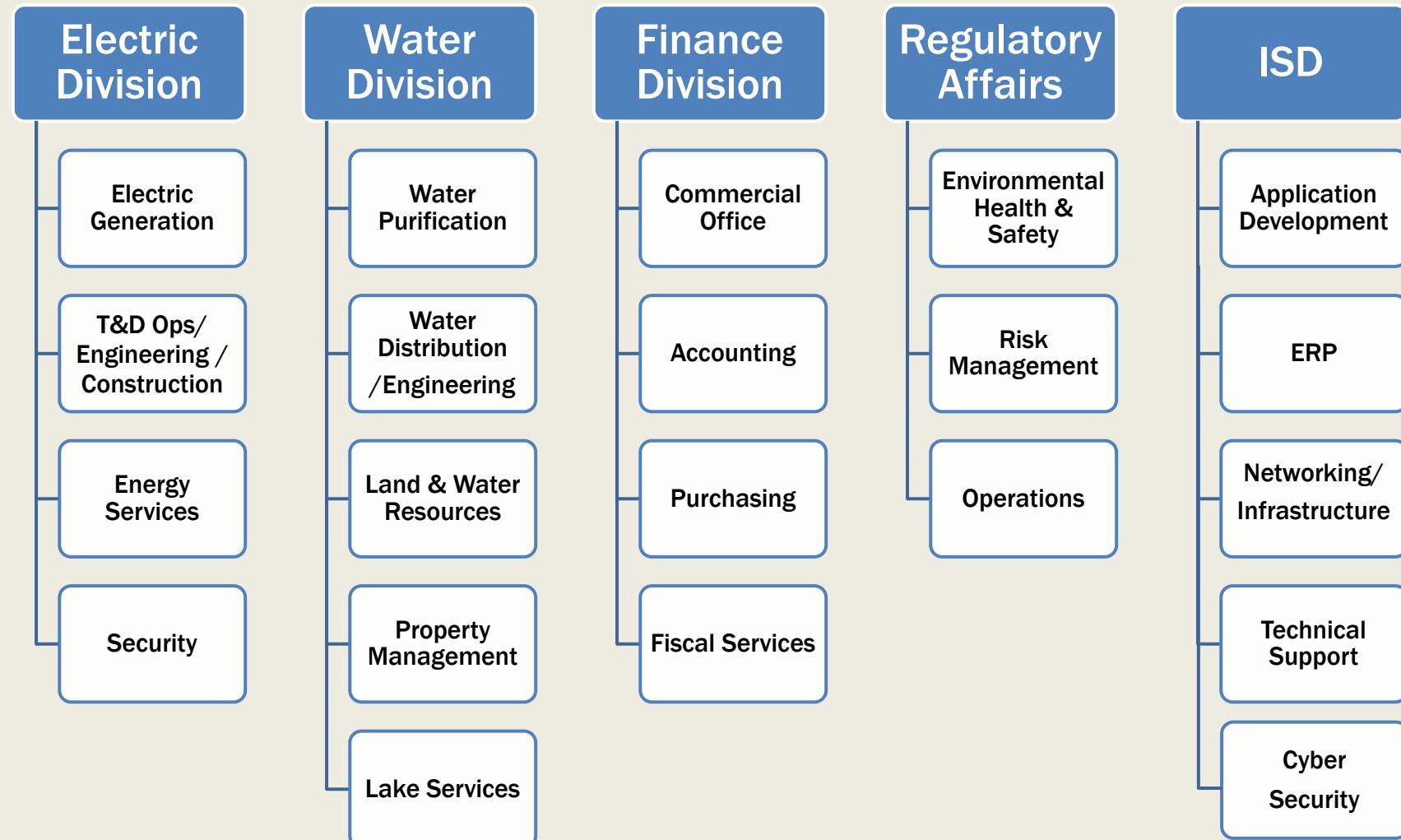
Misty Buscher, Mayor

Doug Brown, Chief Utility Engineer

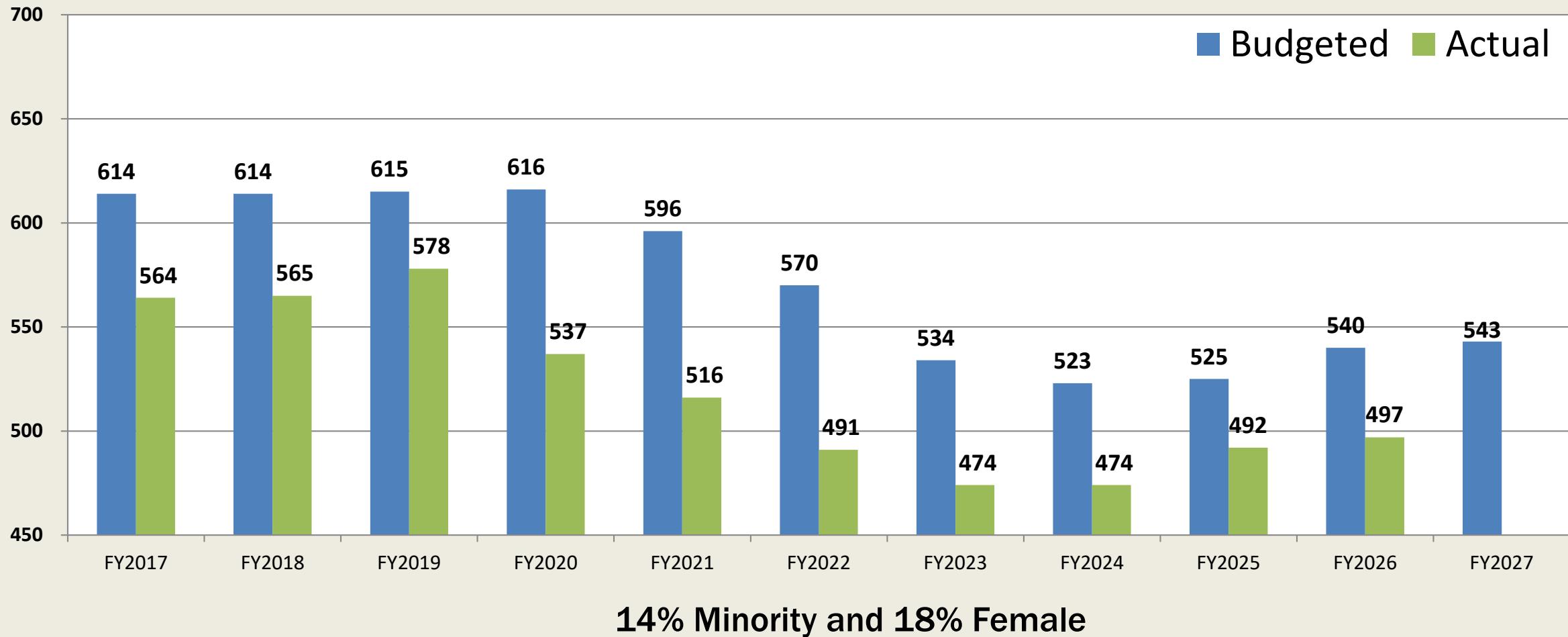
January 22, 2026



DEPARTMENT OVERVIEW



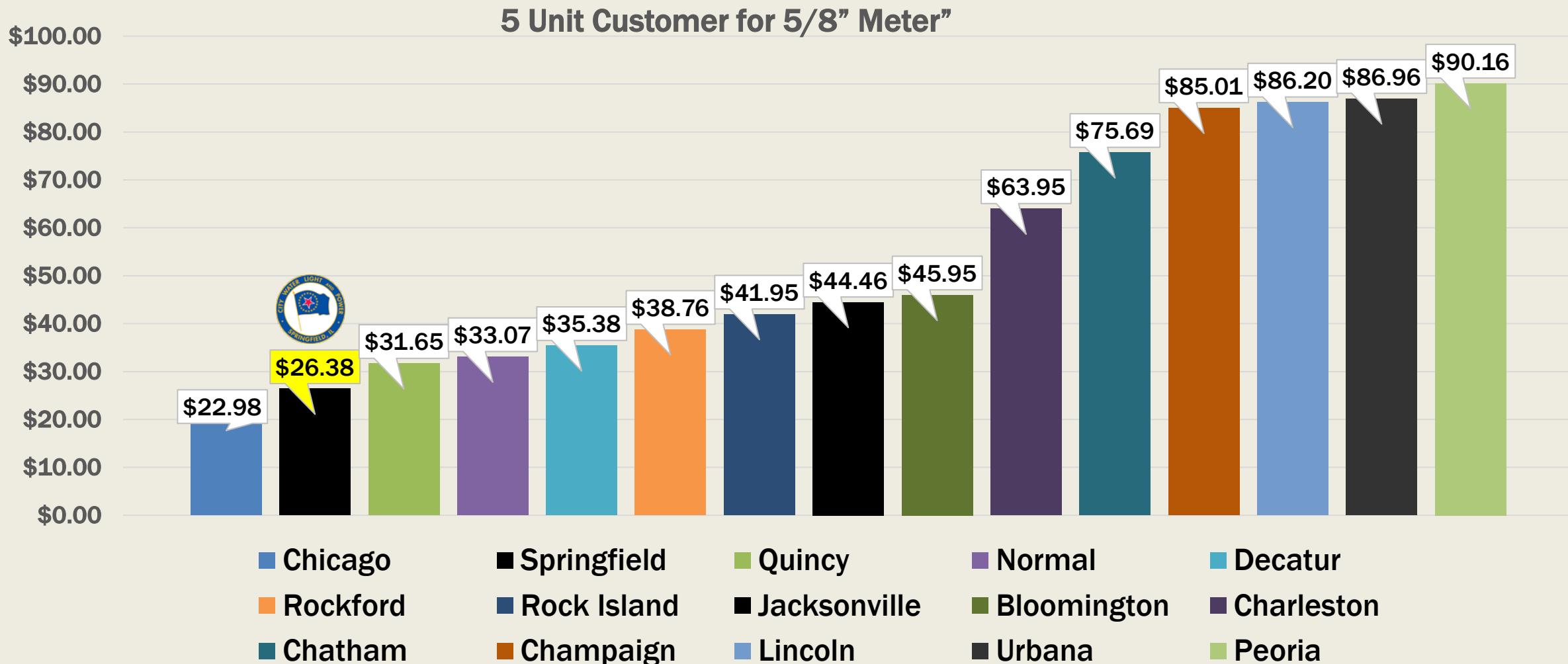
HEADCOUNT TREND



PILOT, CITY & SHARED SERVICES TO CORPORATE FUND

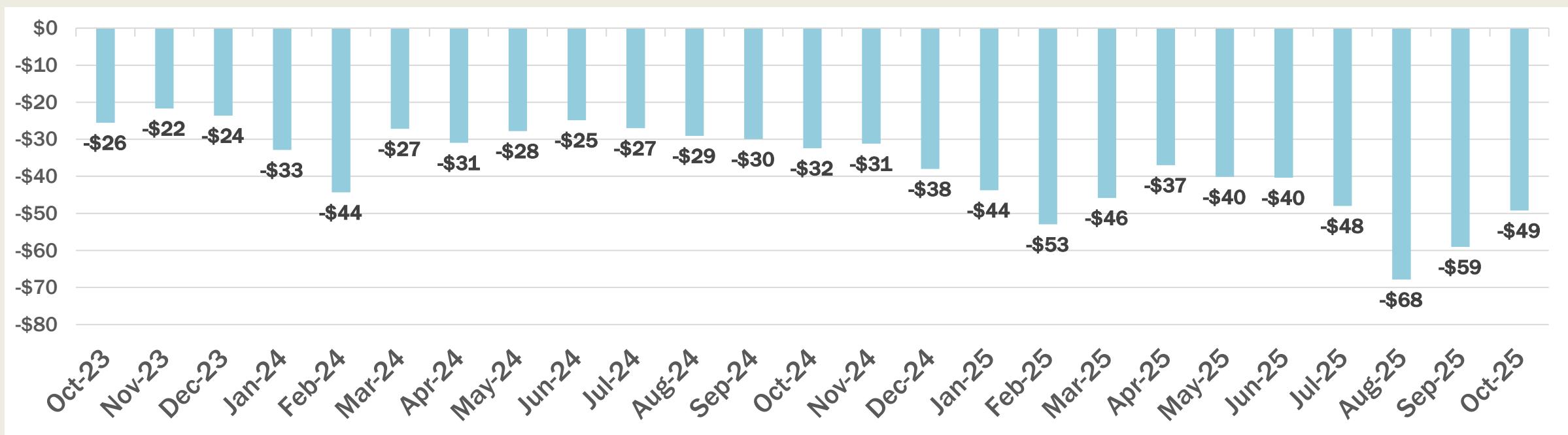
| City Services | Shared Services | FY2026 |
|--|------------------------------|---|
| • ISD Services \$2.6M | | Electric Fund PILOT \$10,663,707 |
| • Streetlight Maintenance & Electricity \$3.5M | • Human Resources \$715K | City Services \$6,999,461 |
| • Traffic Light Maintenance & Electricity \$1.2M | • Corporation Counsel \$302K | Shared Services Payment \$1,265,650 |
| • Water for street cleaning, sewer flushing and fire fighting \$207K | • OBM \$383K | <u>Electric Total</u> \$18,928,818 |
| | • Mayor's Office \$87K | Water Fund PILOT \$652,430 |
| | | City Services \$601,081 |
| | | Shared Services Payment \$223,350 |
| | | <u>Water Total</u> \$1,476,861 |
| | | <u>CWLP Total To Corporate</u> \$20,405,679 |

FY27 WATER RATE COMPARISON (USAGE AND METER CHARGE)



RESIDENTIAL ELECTRIC BILL COMPARISON CWLP VS ILLINOIS UTILITY AVERAGE \$/MO

CWLP \$ SAVINGS PER MONTH TO ILLINOIS UTILITY AVERAGE

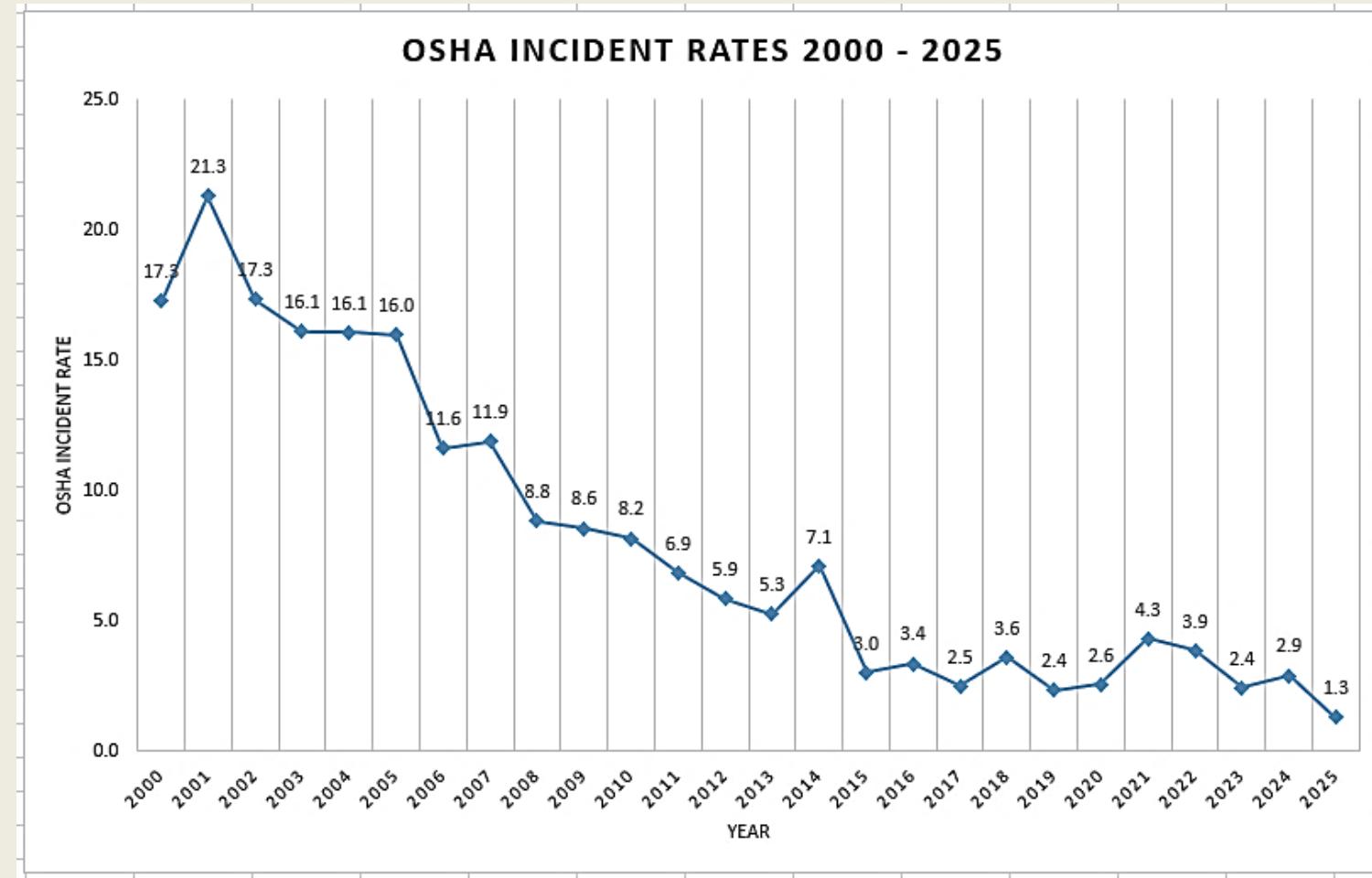


- CWLP Residential customers paid \$931 less than Illinois average
- CWLP Averaged \$37 per month lower

FY 26 ACCOMPLISHMENTS

- Unit 4 Cooling Tower Upgrades
- Phase 1 Power Plant Deconstruction
- Two long term contracts for energy & capacity from new solar developments signed
- \$1.1 M Grid resiliency Grant
- EV charging grant
- Customer installed Solar reached 12 MW
- Water Plant Controls Upgrade and Cybersecurity Project
- North Grand Avenue Water Main Replacement
- ERP Upgrade
- Microsoft Office 365 Migration
- New CWLP Bill Print
- Safety Record

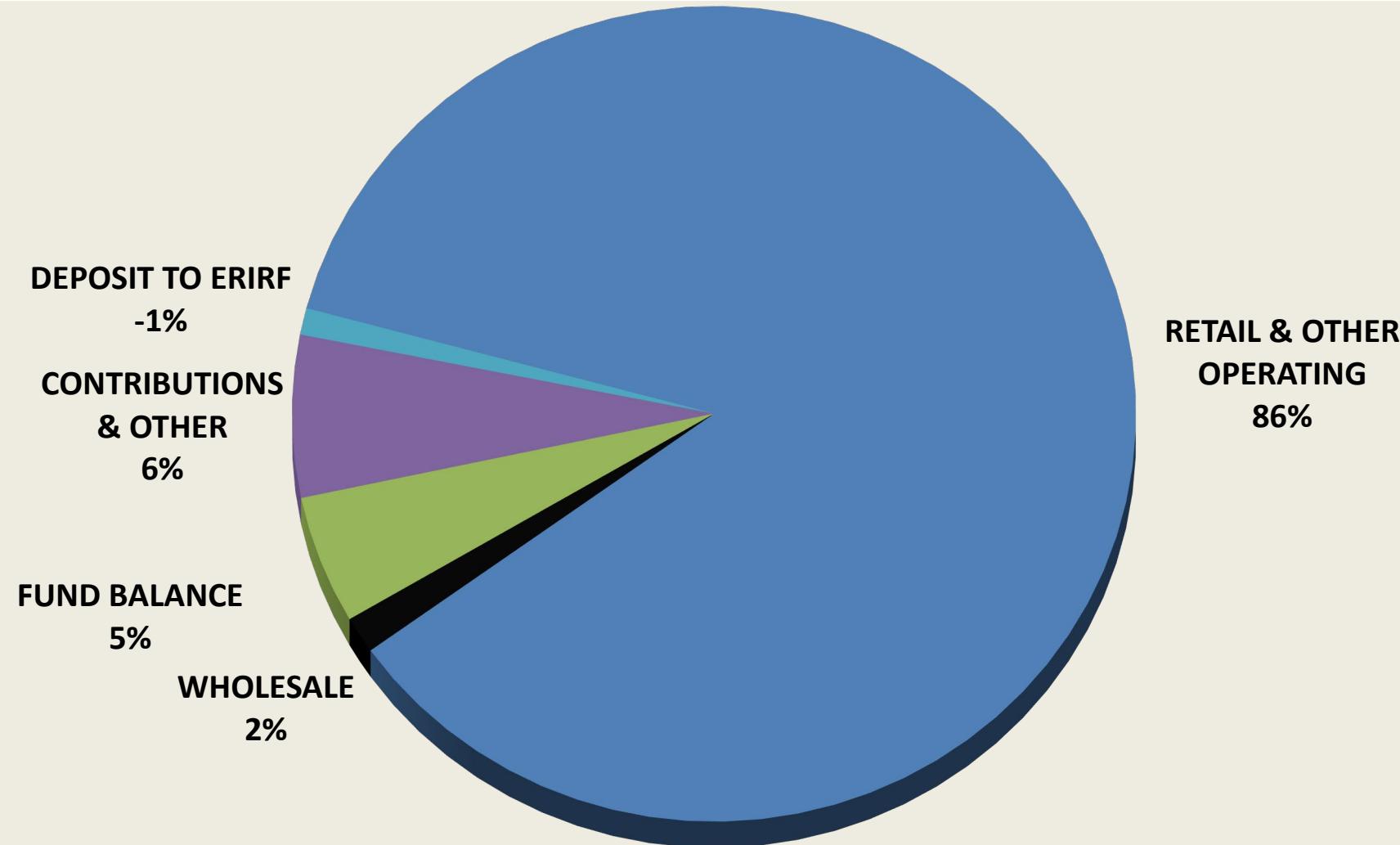
EMPLOYEE SAFETY ACHIEVEMENT



ELECTRIC FUND



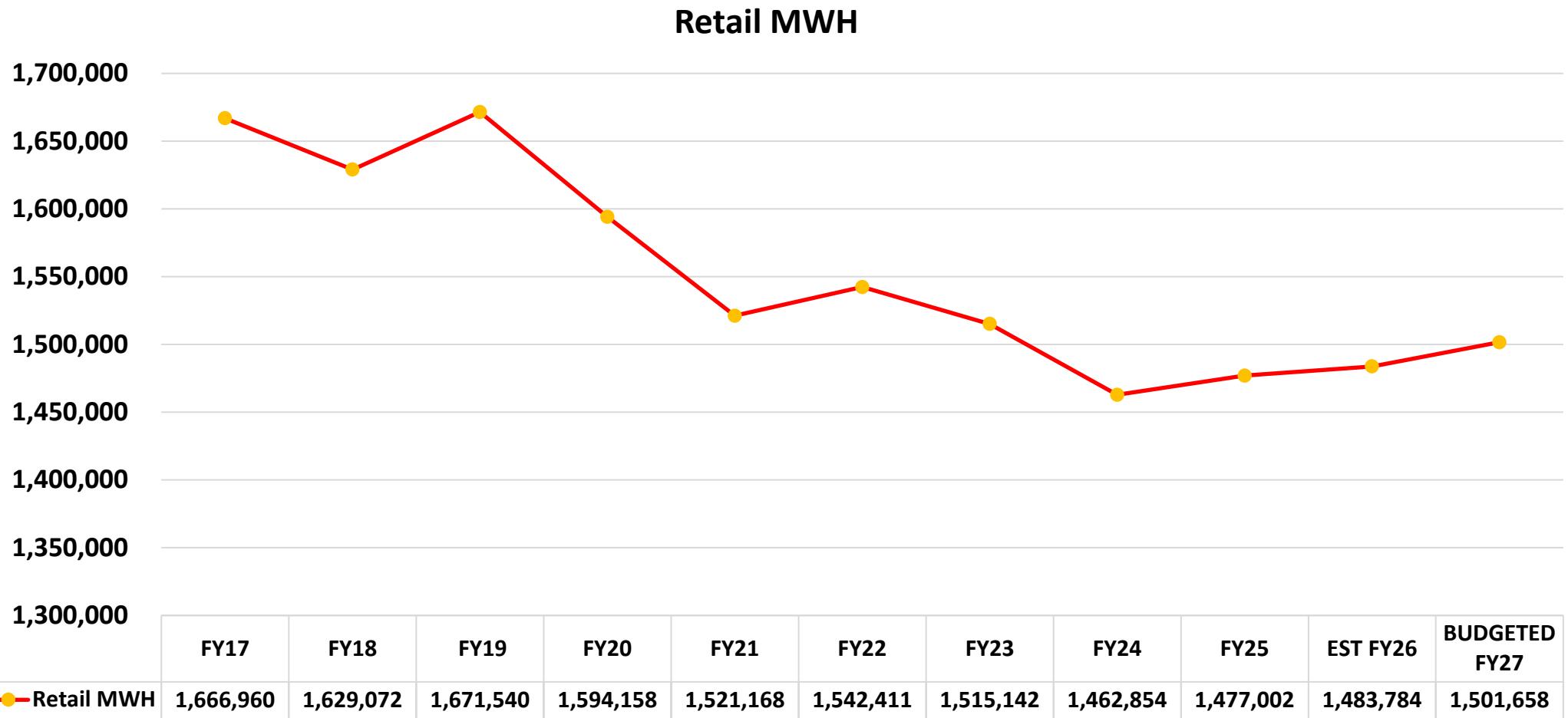
FY27 ELECTRIC FUND RESOURCES



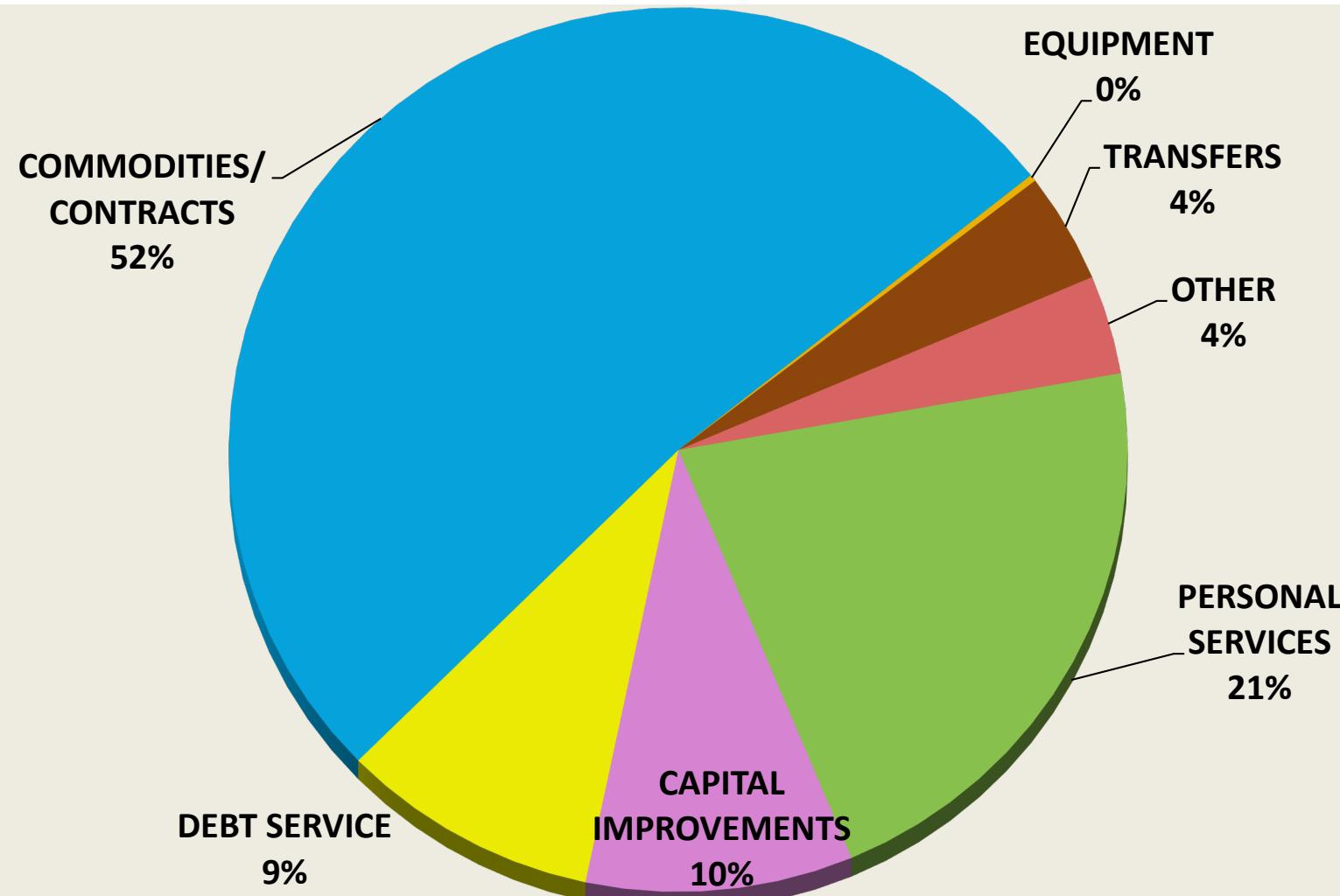
ELECTRIC FUND RESOURCES

| BUDGETED RESOURCES | | | | |
|--------------------------|-----------------------|-----------------------|----------------------|-------------|
| | FY2027 | FY2026 | \$ VARIANCE | % VARIANCE |
| RETAIL & OTHER OPERATING | \$232,271,093 | \$231,843,159 | \$ 427,934 | 0.2% |
| WHOLESALE | 3,937,249 | 5,336,806 | (1,399,557) | -26.2% |
| FUND BALANCE | 13,750,000 | 11,150,000 | 2,600,000 | 23.3% |
| CONTRIBUTIONS & OTHER | 17,392,090 | 5,578,317 | 11,813,773 | 211.8% |
| DEPOSIT TO ERIRF | (2,846,691) | (2,875,544) | 28,853 | 0 |
| TOTAL | \$ 264,503,741 | \$ 251,032,738 | \$ 13,471,003 | 5.4% |

ELECTRIC RETAIL SALES TREND



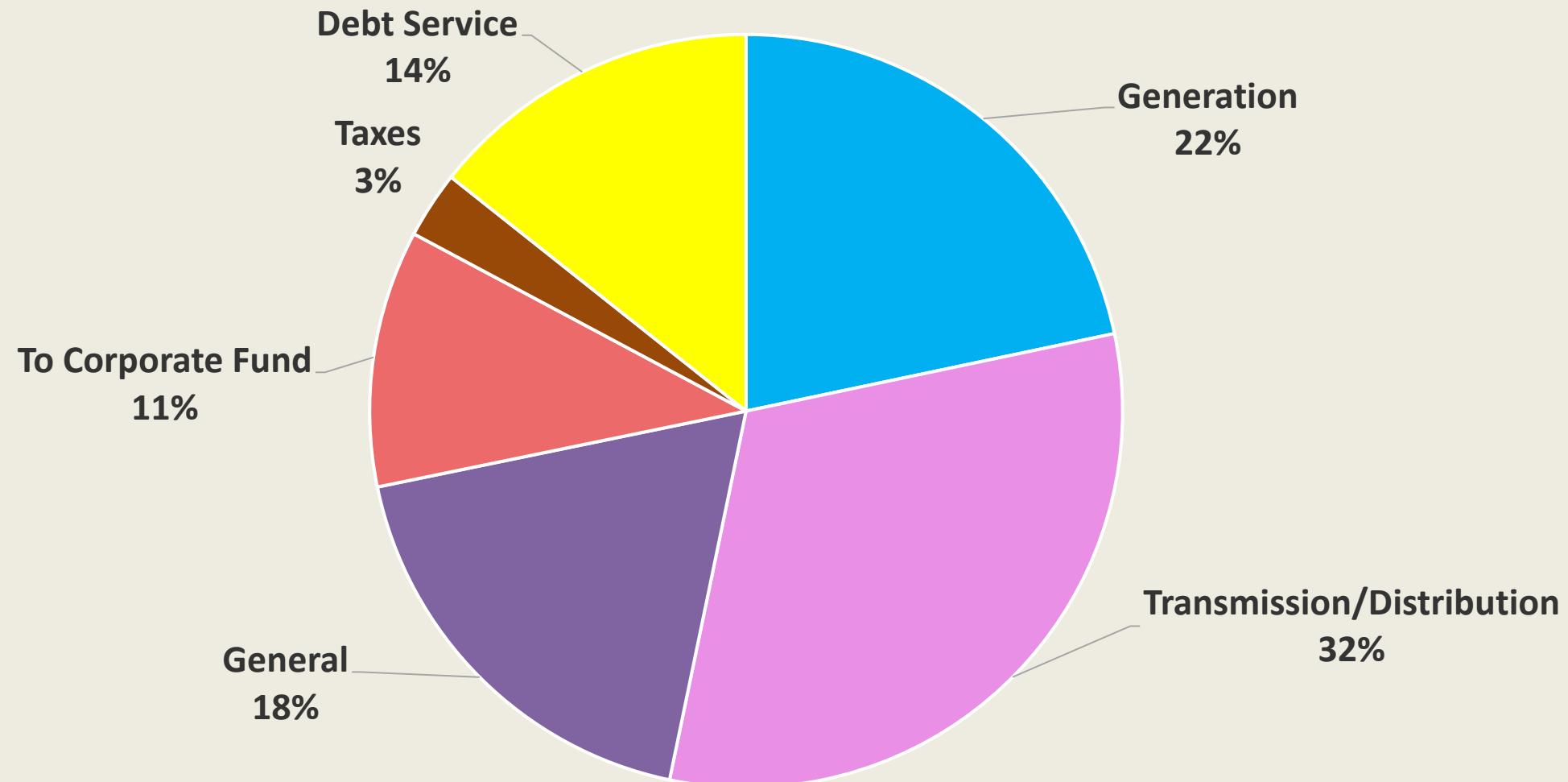
FY27 ELECTRIC FUND EXPENSES BY EXPENSE CATEGORY



ELECTRIC FUND EXPENSES

| BUDGETED EXPENSES | | | | |
|-------------------------|-----------------------|-----------------------|---------------------|-------------|
| | FY2027 | FY2026 | \$ VARIANCE | % VARIANCE |
| PERSONAL SERVICES | \$ 56,884,140 | \$ 55,173,117 | \$ 1,711,023 | 3.1% |
| CAPITAL IMPROVEMENTS | 25,236,155 | 20,629,271 | 4,606,884 | 22.3% |
| DEBT SERVICE | 24,599,663 | 24,662,557 | (62,894) | -0.3% |
| COMMODITIES & CONTRACTS | 136,920,505 | 132,558,620 | 4,361,885 | 3.3% |
| EQUIPMENT | 638,495 | 721,262 | (82,767) | -11.5% |
| TRANSFERS | 10,663,707 | 9,927,645 | 736,062 | 7.4% |
| OTHER | 9,558,826 | 11,303,616 | (1,744,790) | -15.4% |
| TOTAL | \$ 264,501,491 | \$ 254,976,088 | \$ 9,525,403 | 3.7% |

FY27 ELECTRIC FUND EXPENSES BY DIVISION



FY 27 ELECTRIC FUND LARGE PROJECTS

Advanced Metering Infrastructure (AMI) Smart Meters

Outage Response & Opportunities for Load Management, Time of Use Rates

- Estimated \$20M over 3-year period; funded with Bond refinancing savings
- \$12 million is budgeted in FY27
 - ✓ Purchase all electric meters and network items
 - ✓ Bid the labor to install the communication network and meters
 - ✓ Install 100% of the communication network



Integrated Resource Plan (IRP)

Identifies and analyzes electric resource options for meeting future energy needs. Guide for adding and retiring resources for an entity to source energy from an affordable, diversified, reliable, low-risk energy portfolio.

- \$600,000 budgeted for FY27
- Governor signed State legislation (CRGA, follow to CEJA) on Jan 8th to require IRPs every 5 years.
- CWLP will start later in 2026, CRGA requires a January 2027 start

FY27 ELECTRIC FUND PROJECTS

Rebuilds

Overhead Distribution

- Amos #5 Feeder
- Grandview #3 Feeder



FY27 ELECTRIC FUND PROJECTS

Rebuilds (continued)

Underground Distribution

- Lake Victoria – complete 2nd half
- Walnut Valley
- Replace 2nd LLCC feeder

Transmission

- Rebuild 69kV Transmission Line 12 from Factory Substation to Factory Tap pole



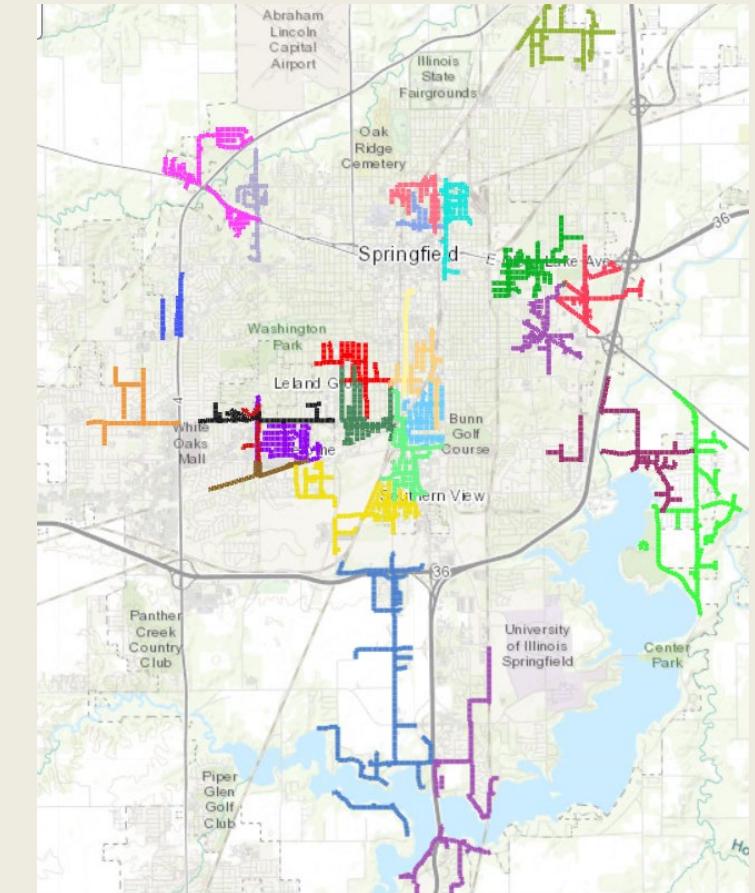
FY27 ELECTRIC FUND PROJECTS



Transmission & Distribution

Overhead Infrastructure

- Tree Trimming / Line Clearance
- Pole Replacements
- LED Street Lighting



FY27 ELECTRIC FUND PROJECTS

Transmission & Distribution Substation and Relay Infrastructure



Cornell Substation

- Replace 69kV breakers, rebuild distribution bays, upgrade voltage regulators

Jackson Substation

- Replace 69kV breakers

Eastdale Substation

- Replace 69kV breaker
- Perimeter fence replacement

Dallman Substation

- Replace 138kV breakers

FY27 ELECTRIC FUND PROJECTS

Transmission & Distribution Substation and Relay Infrastructure (continued)



Palomino and Grandview Substations

- Replace battery banks and battery chargers

Taintor Substation

- Partial perimeter fence replacement

Dallman

- Upgrade Relaying for Dallman 80 MVA transformer #2

FY27 ELECTRIC FUND PROJECTS

Grant-Funded Upgrades

Community Charging and Fueling Infrastructure (CFI) Grant

- \$629,000 grant for \$786,000 project
- 40 Level 2 public electric vehicle charging stations at locations
- Spring 2026 installation planned
- Rate 75 approved



FY27 ELECTRIC FUND PROJECTS

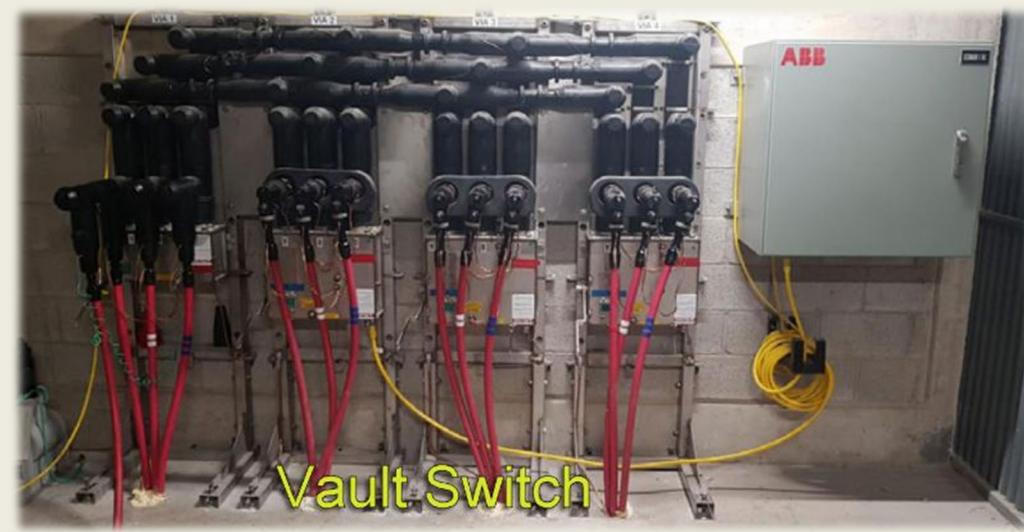
Grant-Funded Upgrades

Illinois Finance Authority (IFA) Grid Resilience Grant \$1.1M with \$500,000 CWLP match

- (5) Line Mounted Reclosers
- (5) Compact Modular Reclosers
- (14) Vault Mounted Switches (downtown area)



Compact Modular Recloser



Vault Switch

FY27 ELECTRIC FUND PROJECTS

T&D Engineering & Planning



Infrastructure

- Interstate – Lanesville Line Rebuild Design
- **J1610 100MW Solar Interconnection for new solar development in south Sangamon County**

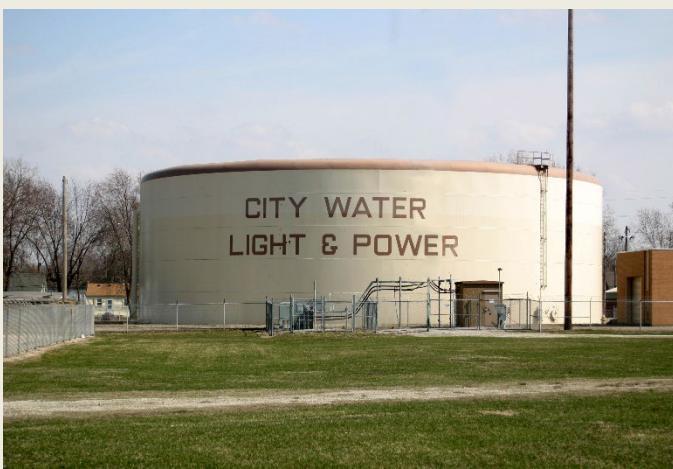
Reliability

- Distribution Planning Study

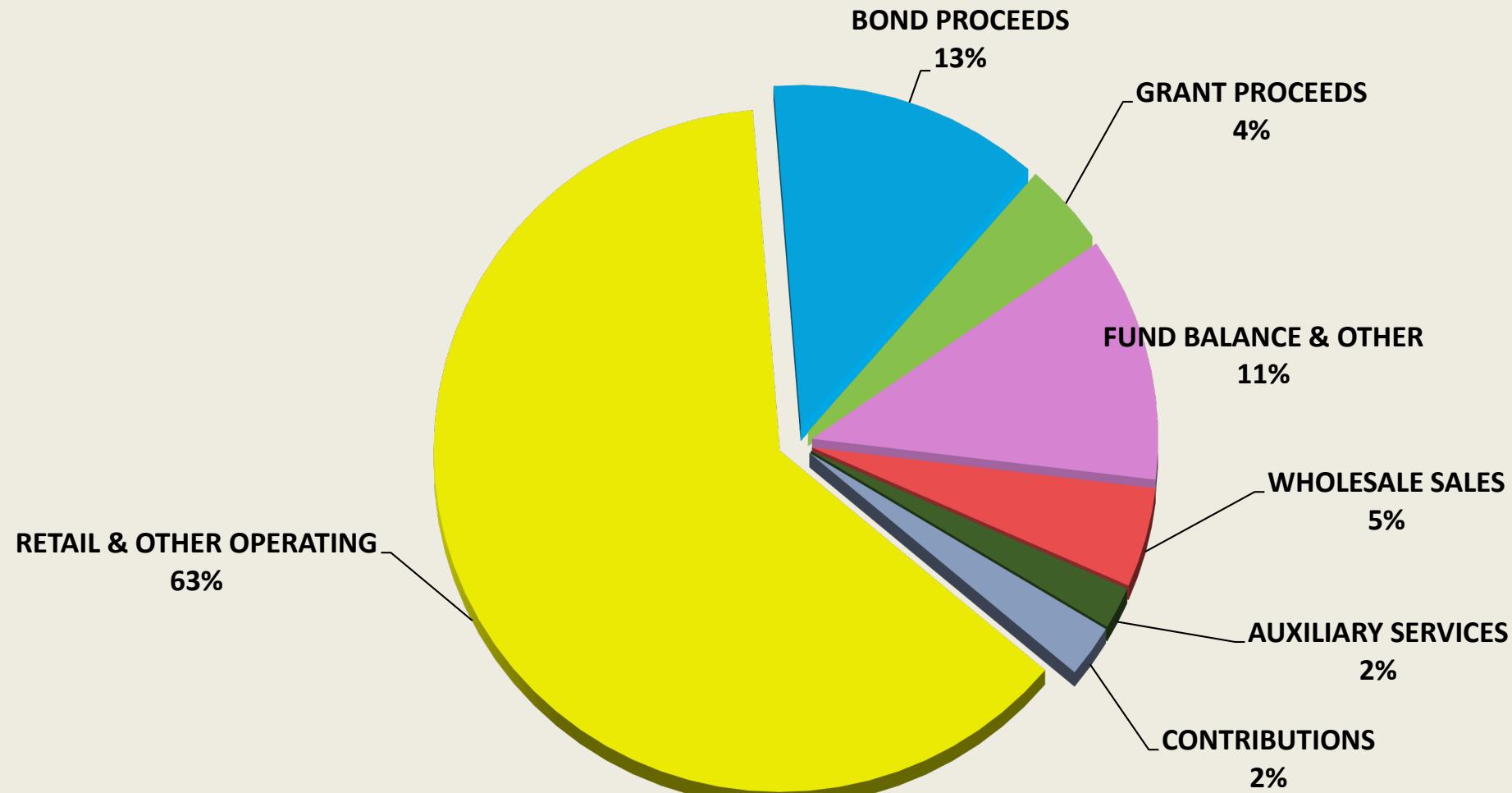
Energy Services Office

- Re-open Insulation Rebate program

WATER FUND



FY27 WATER FUND RESOURCES

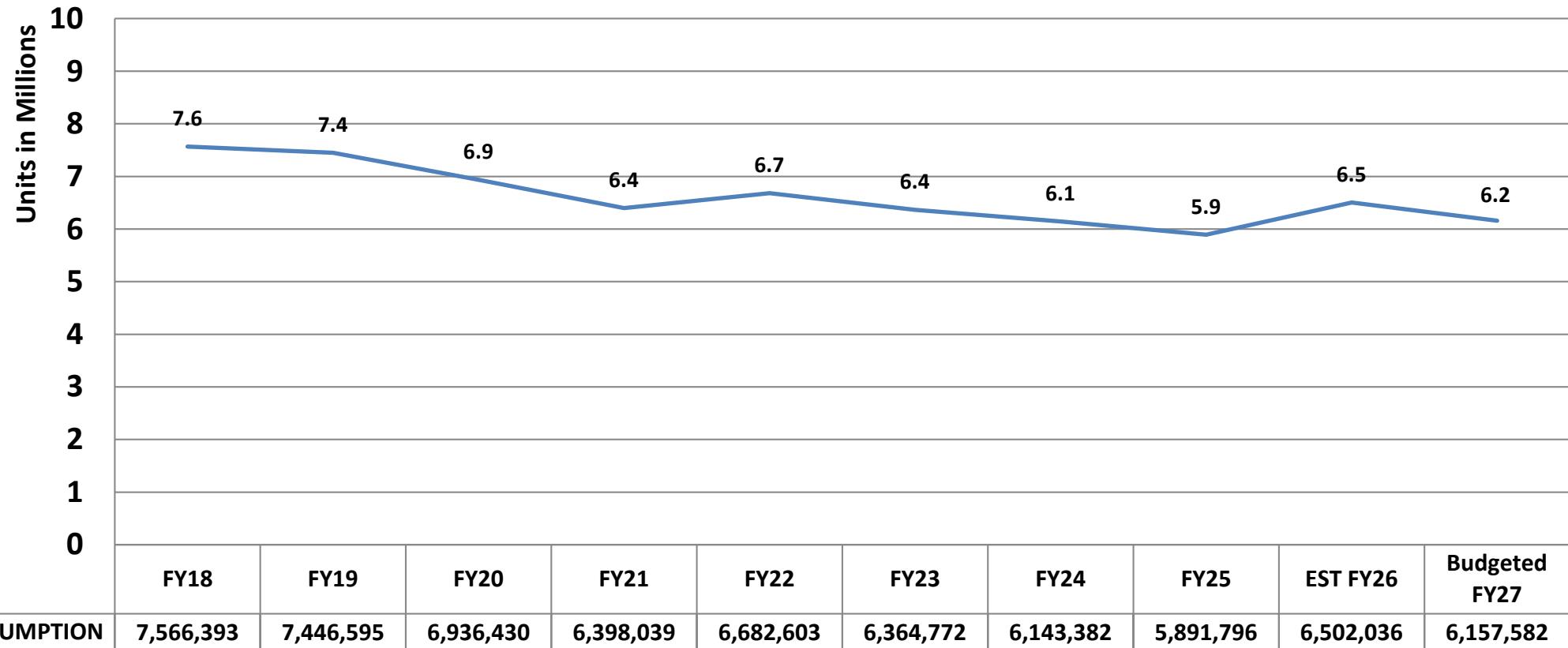


WATER FUND RESOURCES

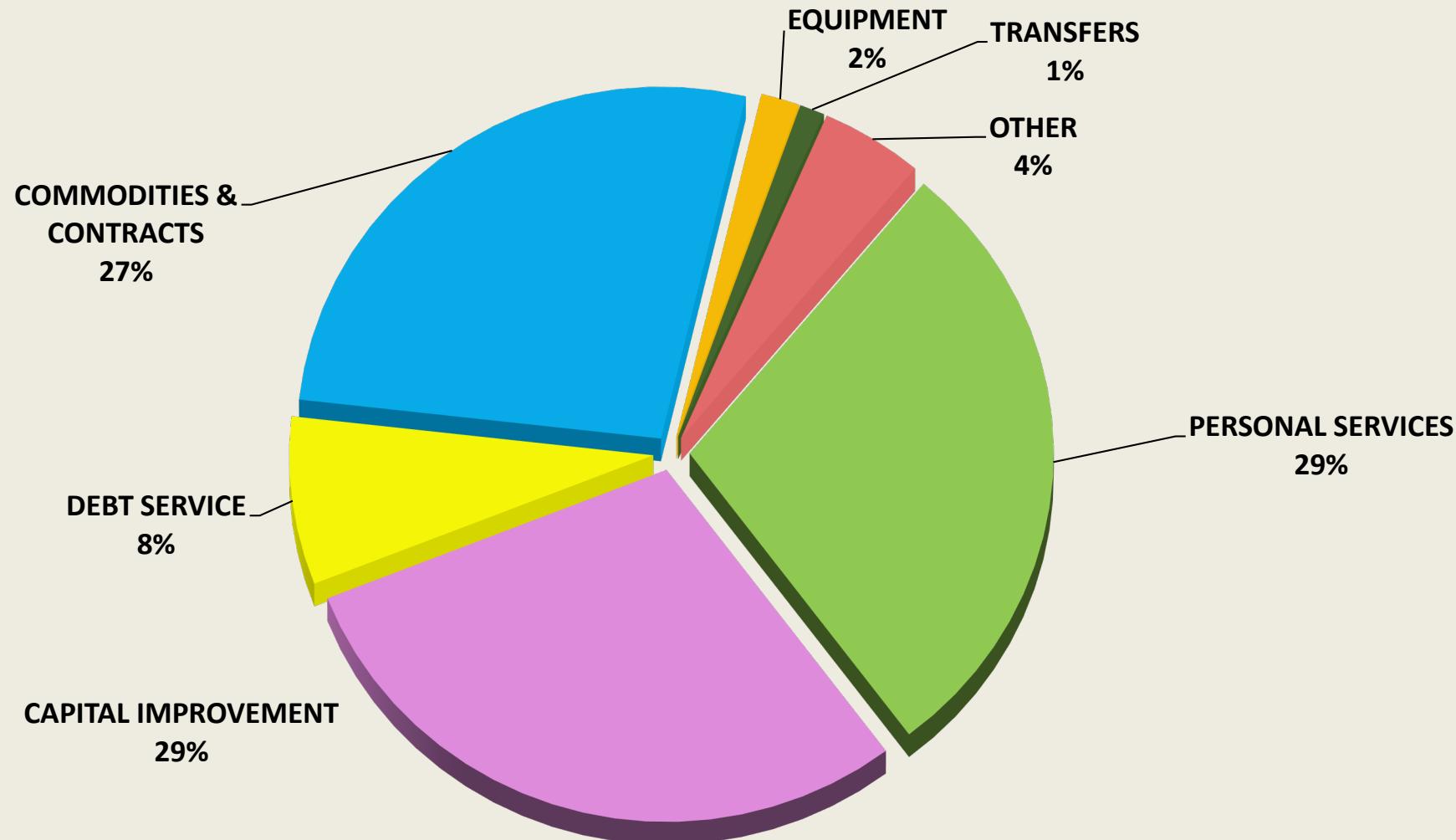
| BUDGETED RESOURCES | | | | | |
|-----------------------------|----------------------|----------------------|-------------------|-------------|--|
| | FY2027 | FY2026 | \$ VARIANCE | %VARIANCE | |
| RETAIL REVENUE | \$ 42,451,812 | \$ 40,807,893 | \$ 1,643,919 | 4.0% | |
| BOND PROCEEDS | 8,580,000 | 8,290,000 | 290,000 | 3.5% | |
| GRANT PROCEEDS | 2,650,000 | 4,485,080 | (1,835,080) | -40.9% | |
| FUND BALANCE & OTHER | 7,855,031 | 7,762,885 | 92,146 | 1.2% | |
| WHOLESALE & OTHER OPERATING | 3,195,969 | 2,813,519 | 382,450 | 13.6% | |
| AUXILIARY SERVICES | 1,357,310 | 1,350,292 | 7,018 | 0.5% | |
| CONTRIBUTIONS | 1,680,000 | 2,100,000 | (420,000) | -20.0% | |
| TOTAL | \$ 67,770,122 | \$ 67,609,669 | \$ 160,453 | 0.2% | |

WATER RETAIL SALES TREND

1 UNIT = 748 GALLONS



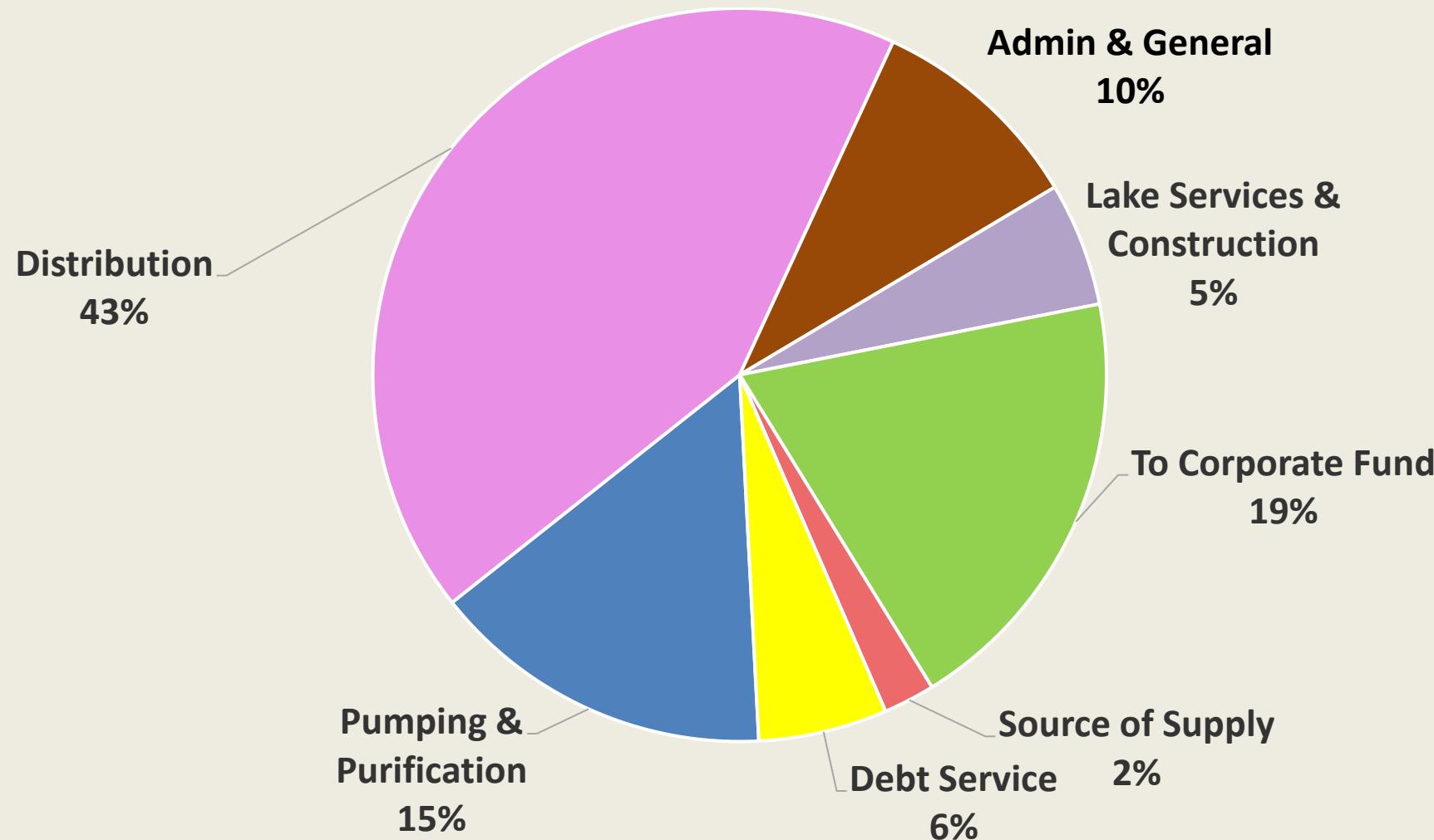
FY27 WATER FUND EXPENSES BY EXPENSE CATEGORY



FY27 WATER FUND EXPENSES

| BUDGETED EXPENSES | | | | |
|-----------------------|----------------------|----------------------|-----------------------|---------------|
| | FY2027 | FY2026 | \$ VARIANCE | % VARIANCE |
| PERSONAL SERVICES | \$ 16,901,430 | \$ 16,217,821 | \$ 683,609 | 4.2% |
| CAPITAL IMPROVEMENTS | 17,344,910 | 27,391,611 | (10,046,701) | -36.7% |
| COMMODITIES/CONTRACTS | 15,944,402 | 15,431,699 | 512,703 | 3.3% |
| DEBT SERVICE | 4,558,201 | 4,630,547 | (72,346) | -1.6% |
| EQUIPMENT | 1,008,155 | 1,530,478 | (522,323) | -34.1% |
| TRANSFERS | 652,430 | 821,789 | (169,359) | -20.6% |
| OTHER | 2,691,832 | 2,858,185 | (166,353) | -5.8% |
| TOTAL | \$ 59,101,360 | \$ 68,882,130 | \$ (9,780,770) | -14.2% |

FY27 WATER FUND EXPENSES BY DIVISION



FY26 MAJOR ACCOMPLISHMENTS

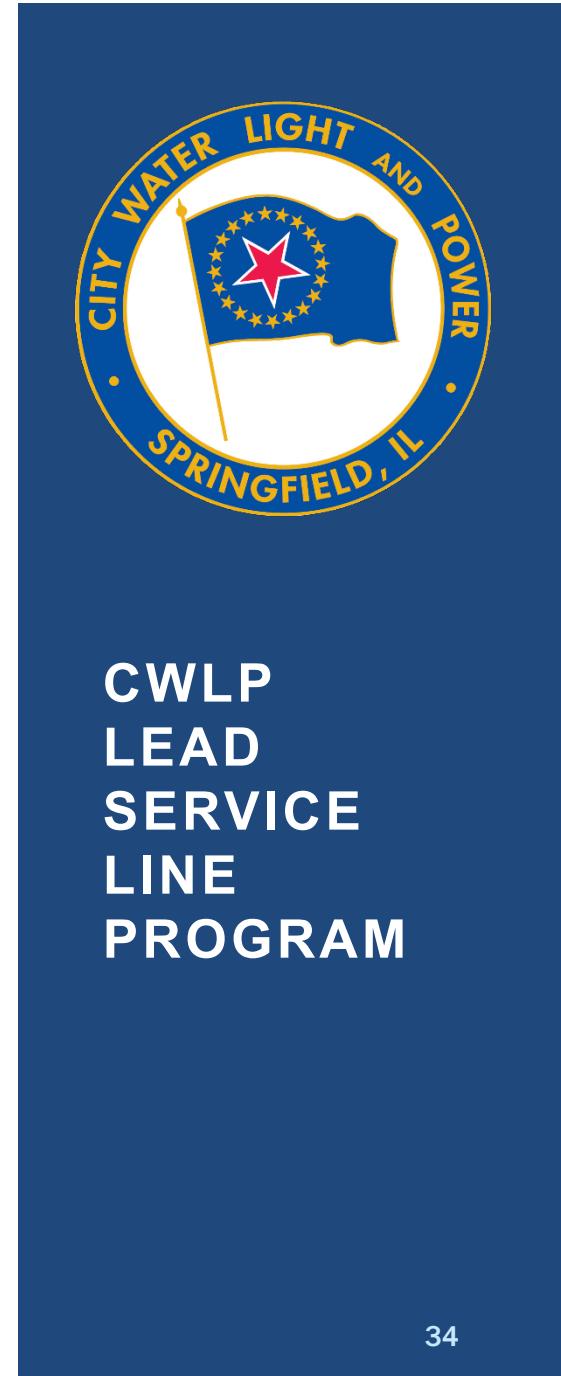
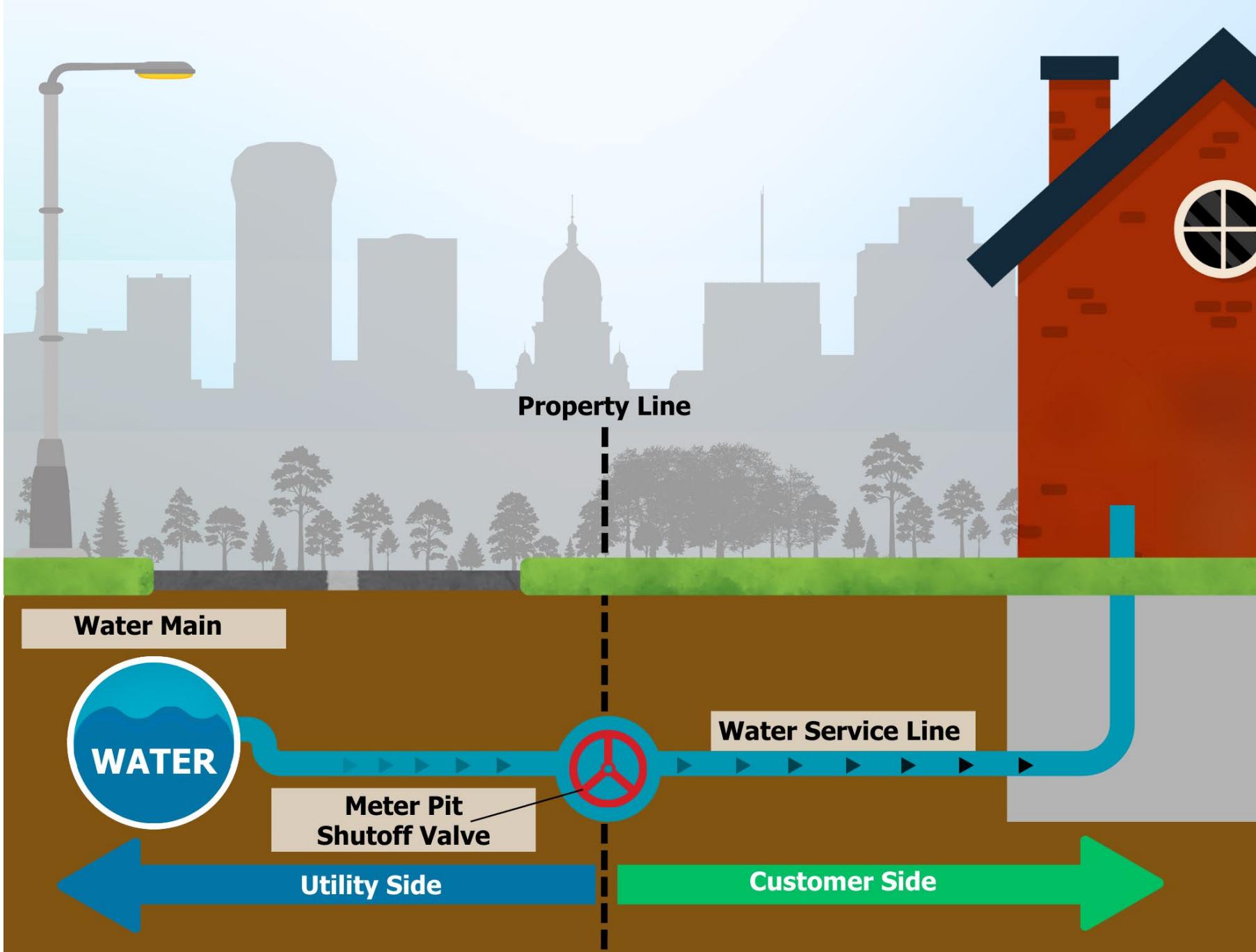
- Financial Stability Improved
- PILOT – Full Contribution
- New Lime Pond Operation – O&M Costs
- Water Plant Controls Upgrade and Cybersecurity Project
- South Fork Pump Station – Pump Replacement & Electrical Upgrade
- Added New Water Distribution Crew
- Lake Services Overlay Program – Full Contribution
- Water Main Replacement & Lead Service Line Work
- Equipment Replacement Program



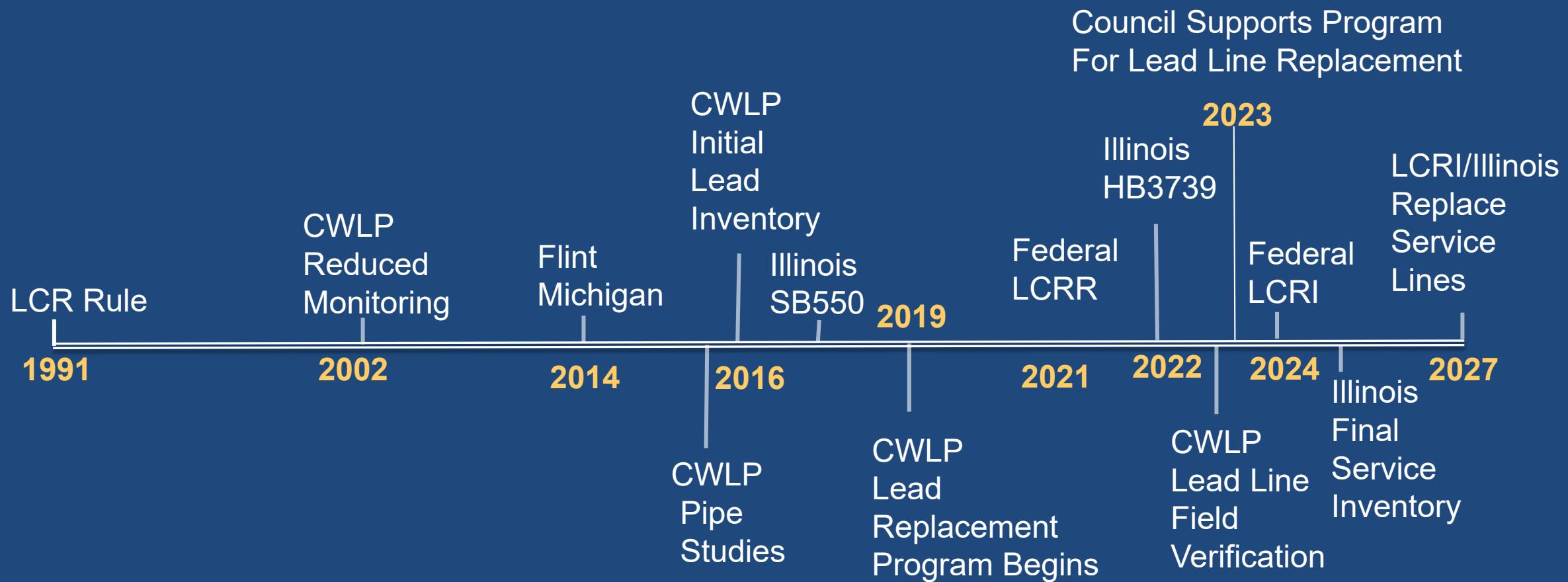
FY27 MAJOR FINANCIAL ALLOCATIONS



- Water Main and Lead Service Line Work \$14.9M
- Powdered Activated Carbon Upgrade - \$1.25 M
- South Fork Pump Station - \$500,000
- Equipment Replacement Program \$1.1M
- Building Improvements - \$500,000
- Water Shed – IL EPA 319 Grant \$350K
- Lake Roads \$300k



LEAD LINE RULES & ACTION HISTORY



LOW LEAD RISK IN CWLP DRINKING WATER

CWLP's water treatment utilizing lime results in non-corrosive water and provides a protective coating inside pipes



- IEPA placed CWLP on Reduced Monitoring for over 20 years due to negligible lead detects
- In 2025 – of 271 Total Samples Taken – 3 Detects and all well below the Federal action level of 15 parts per billion
- Results indicate continued compliance and effective corrosion control is a protective measure

CHANGES TO FEDERAL LEAD RULE INCREASED REPLACEMENT RATE

March 16, 2021

Federal LCRR (October 16, 2024)

- Public Notification
- Material Inventory
- Sampling and Action Level Revisions

January 1, 2022

Illinois HB 3739 (April 15, 2022)

- Materials Inventory
- Lead Service Line Advisory Board
- Lead Service Line Replacement Plan
- Replace 5% of Service Lines Annually beginning April 15, 2027 **(over 20-yr period)**

December 30, 2024

AWWA Legal Challenge to Federal LCRI

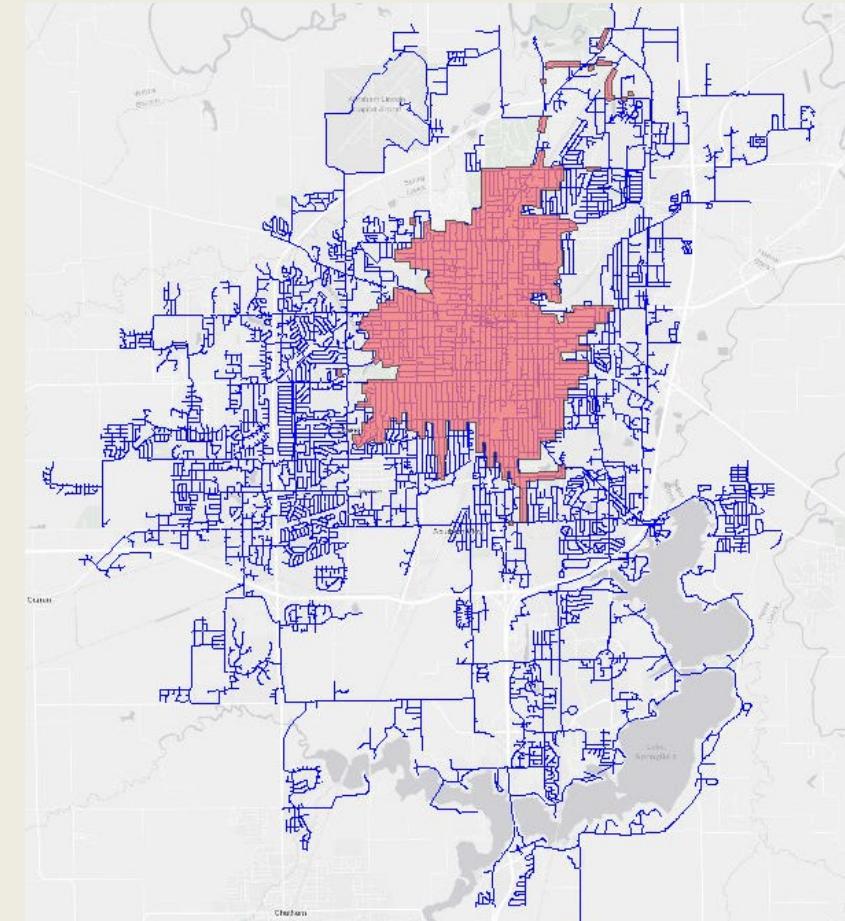
- Petition filed December 13, 2024
- Series of requests for stays by current administration.
- Petitioner's opening brief filed Sept 15, 2025
- Respondent's brief (Feb 20, 2026)
- Petitioner's reply brief (April 3, 2026)
- **Final briefs (April 17, 2026)**
- Oral argument (not yet scheduled)

Federal LCRI – Effective Nov 1, 2027

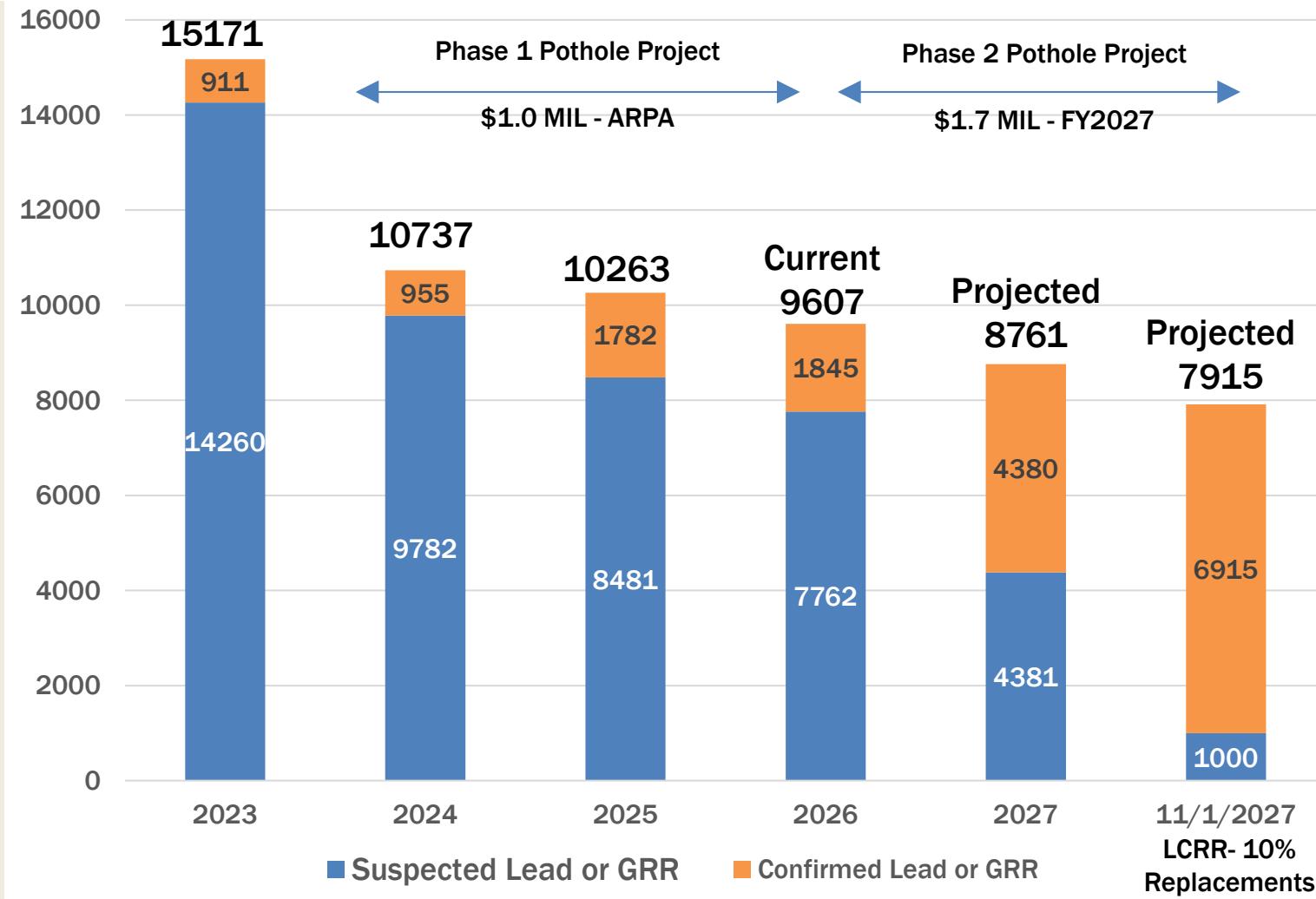
- Replace 10% of Service Lines Annually **(over 10-yr period)**

LEAD SERVICE LINE PROGRAM

- **Inventory**
- **Planned/Engineered Replacements**
- **Emergency Replacements**



CWLP LEAD SERVICE LINE INVENTORY PROGRAM & PROGRESS



FY 27 Budget
\$1M to Continue
Inventory
Program

FY26 & FY27 LEAD LINE REPLACEMENT PROGRAM

FY 26-27 Replacements March 1, 2025 – March 1, 2027

- 400 replacements, \$5M
- CWLP/IEPA SRF Loan-Funded
- Wards 2 & 3 Census Tracts 16 and 23

Emergency Replacements May 1, 2024 – May 1, 2026

For lines disturbed by CWLP during emergency repairs

- 150 replacements, \$1.7M
- \$1.0M ARPA Funded / \$0.7M CWLP Funded

BUDGET AUTHORITY FOR FY27

Emergency replacement of private lines when CWLP-owned line fails May 1, 2026 – March 1, 2027

- \$500,000 for FY 27

Applying for IEPA Grant for FY28



ISD FY27



- ERP Project Wrap-Up
- Network Infrastructure Upgrades \$350,000
- Complete Computer User/Server OS upgrades
 - \$75,000
- Database Server replacements
 - \$200,000



Thank You

